

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF CUMBERLAND VALLEY)	
ELECTRIC, INC. TO ESTABLISH A NEW)	CASE NO.
NON-RECURRING CHARGE, AN AUTOMATED)	2007-00205
METER READING REMOTE DISCONNECT)	
SWITCH FEE)	

O R D E R

On May 23, 2007, Cumberland Valley Electric, Inc. (“CVE”) filed an application seeking approval of its proposed tariff setting forth a new rate for an Automated Meter Reading (“AMR”) remote disconnect switch fee. This charge is for the service rendered when a remote switch is used to disconnect or reconnect a customer’s electric service for non-payment. CVE filed a tariff with a proposed effective date of June 25, 2007. However, the Commission found that an investigation was necessary to determine the reasonableness of the proposed charge and suspended the proposed tariff for a period of 5 months from June 25, 2007 up to and including November 24, 2007.

CVE has invested approximately \$3,000,000 in AMR equipment.¹ This equipment allows the use of a remote disconnection and reconnection of service with only the additional cost of a switch and installation. Under CVE’s current tariff, customers are charged \$25 for each trip made to the customer’s premises during regular working hours and \$65 for each trip made after regular working hours. Therefore, customers are charged a total of \$50 for a manual disconnection and

¹ Application, Exhibit 5, page 2 of 5.

reconnection of service made during regular working hours. Under the proposed tariff, if a remote disconnect switch is used, a fee of \$20 would be charged for the disconnection and an additional \$20 would be charged for the subsequent reconnection for a total of \$40. No overtime charges would apply when using the remote disconnect switch.

In addition to resulting in a lower charge to the customer, CVE states that the use of the remote disconnect switch will result in faster reconnection of service and eliminate access problems to meters equipped with the switch. Furthermore, CVE has provided adequate evidence of the individual expenses incurred to provide the service associated with the proposed charge.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. The proposed charge is equal to the expenses incurred to provide the associated service.

2. CVE's new non-recurring charge of \$20 for disconnections and reconnections of service using a remote AMR switch is for lawful objects within its corporate purposes, is necessary and appropriate for and consistent with the proper performance by the utility of its service to the public and will not impair its ability to perform that service, is reasonable, necessary, and appropriate for such purposes, and therefore should be approved.

IT IS THEREFORE ORDERED that:

1. CVE's proposed non-recurring charge of \$20 is approved.

2. CVE shall file, within 20 days of the date of this Order, its revised tariff sheets setting out the charge approved herein showing their date of issue and that they were issued by authority of this Order.

Done at Frankfort, Kentucky, this 16th day of July, 2007.

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and flourishes, positioned above a horizontal line.

Executive Director